

FISCAL NOTE

SB 2002 - HB 2040

July 7, 2001

SUMMARY OF BILL: Removes from the appropriations act (Senate Bill 1914 - House Bill 1943)the following provisions:

1. Section 10, Item 129: The appropriation made to each institution of higher education by the provisions of this act is reduced dollar for dollar by the amount of any tuition increase implemented at such institution on or after July 1, 2001.
2. Section 54, Item 1: Notwithstanding any provision of this act to the contrary, no funds appropriated by the provisions of this act for the Basic Education Program shall be disbursed. Such appropriations made in this act are made pursuant to Tennessee Code Annotated, Section 49-3-304.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact:

1. **Allows the University of Tennessee and the Tennessee Board Regents Systems to raise tuition fees for the 2001-2002 school year and to also receive state appropriations. Such increase in state revenues from the increase in tuition fees is estimated to exceed \$20,000,000. (For every 1% in tuition increase, the increase in tuition revenues is approximately \$4,000,000.)**
2. **Allows the disbursement of existing BEP funds of approximately \$240,000,000 to LEAs. Such funds are in the Governor's 2001-02 Budget and are in the temporary budget approved by the General Assembly on June 29, 2001.**

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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